

MINISTRY OF INDUSTRIES

KAHATAGAHA GRAPHITE LANKA LIMITED

Fully government owned Company



Annual Report 2021 / 22

HEAD OFFICE

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Elvitigala Mawatha,
Narahenpita,
Colombo 05.

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Fax : 011-2058062
Email : kgll@sltnet.lk
Website : www.kgraphite.lk

MINES

Kahatagaha Mine
Maduragoda
Dodangaslanda

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INTRODUCTION

Kahatagaha Graphite Mines

Kahatagaha Mines are located in North Western Province of Sri Lanka at Maduragoda, **Dodangaslanda** in Kurunegala District, approximately 90 km. from the capital of Colombo, and managed by **Kahatagaha Graphite Lanka Limited** (KGLL). It is a fully government owned public limited liability Company, established under the Companies Act No. 07 of 2007, previewed by the **Ministry of Industries**. The major shareholder of the company is the **Secretary to the Treasury**. Main policymaking body of KGLL is the Board of Directors, headed by Executive Chairman and KGLL derives the essence of its corporate policy from line Ministry and the Treasury.

Kahatagaha Mines is at the elevation of 25 meters in a hilly terrain at Maduragoda, Dodamgaslanda, in Ridigama Divisional Secretary Division and the extent of the land is approximately 102 acres. Out of 102 acres of surface land, 76 acres of coconut cultivation is managed by KGLL.

There are two major mines in Sri Lanka namely - Bogala mines and Kahatagaha mines. Kahatagaha Mine is a combination of two mines, which were operated since 1872 as Kahatagaha and Kolongaha Mines and after undertaking by the government in 1973, the two mines are amalgamated and work as a single mine.

The Mine is 2000 feet (610 meters) deep and it is the deepest mine in Sri Lanka. Accessibility to the mine is by 2 shafts. The shaft at Kahatagaha reaches to 1132 feet (345 meters) level and Kolongaha goes up to 330 feet (101 meters) level. The shafts are sinking to the mines from two different locations. The below the shafts, bottom levels are accessed by series of winches, which goes up to 2000 feet (610 meters) level. Main shaft and the winches are used to mobilize underground workers to various levels of the mine, from 1132 to 2000 feet levels and to extract run off mine. The mine extends as far as 500 meters, at its widest point.

Uniqueness of Kahatagaha product

Sri Lanka is the only commercial source of supply of high Carbon Natural Crystalline Vein Graphite and particularly Kahatagaha Mine is capable of mining high purity Natural Vein Graphite over 99% carbon, in fully crystallized form. It is found as needles, lumps, rossets, and flakes, enjoying monopoly of high carbon crystalline vein graphite, with low ash content, having a proven reputation of world market acceptance as an unique product.

CHAIRMAN'S REVIEW

I am pleased to present my review as Chairman of Kahatagaha Graphite Lanka Limited (KGLL) for the Annual Report of 2021-2022. During this period KGLL underwent a successful revival and turn-around process. KGLL is proud to have contributed +99% high purity natural crystalline vein graphite to the global market.

I assumed duties as Chairman of KGLL on 28th September 2022. I am pleased to note that the year under review has been particularly positive with KGLL demonstrating exceptional performance.

I am pleased to report that KGLL has successfully overcome the challenges it faced during the previous year and has emerged stronger than ever before. Our team's hard work, dedication, and commitment have been instrumental in achieving these positive results.

We remain committed to our mission of providing high-quality natural graphite to the global market and are confident that we will continue to exceed our customers' expectations.

My gratitude goes out to each of our stakeholders, especially our customers for being true partners in this journey.

PRODUCTION

During the 2021/22 fiscal year, our company extracted 342 metric tons (M/T) of graphite Run of Mine, representing a 42.8% decrease from the previous year's output of 599 M/T. Production decreased seriously due to Corona Pandemic paced by the country and most of the employees were hospitalized or under medical treatments. Not only that our graphite rich works stations in 2,000ft level flooded due to heavy rain fallen and were closed. However now, the situation is controlled and mining works initiated in 2,000ft level and production being normalizing. But, we have noticed that our employees tend to produce only around the target, and monthly production has not kept pace with labour expenses.

To address this issue and improve our company's overall effectiveness, management is considering implementing a new production incentive scheme. This scheme would aim to motivate employees to exceed production targets and improve the efficiency of our operations.

We believe that the introduction of this incentive scheme will help us to achieve our production goals while minimizing labour costs. We are confident that this measure will improve our overall performance and drive our company towards greater success.

SALES & MARKETING

During the year KGLL exported 385 metric tons (M.T) of processed graphite, which generated a revenue of Rs. 123.42 million. However, we observed a decrease in revenue of approximately Rs. 2.72 million as compared to the previous year's revenue of Rs. 126.14 million.

The primary reason for the reduced income was the slow-moving higher grade processed graphite, due to closed down the country. We were difficulties to find ships for exportation and international operations were slowdown in both national and international level. particularly the 97/99% grade C, This segment of our product line faced challenges in the market, which resulted in lower demand and reduced revenue.

We recognize that the decline in revenue is a matter of concern and are actively exploring ways to address this issue. Our team is evaluating alternative markets and potential buyers for our higher-grade processed graphite products. Additionally, we are considering implementing marketing strategies to increase awareness and demand for these products.

We remain committed to delivering high-quality products and achieving sustainable revenue growth in the long term.

FINANCIAL POSITION

Historically, our company has focused on controlling expenses to increase profits as most of our cost components were fixed in nature. I am pleased to report that the company has achieved a profit of Rs. 11.08 million for the current year before tax. This represents a small decrease of Rs. 0.39 million in profit compared to the previous year's profit of Rs. 11.47 million.

This achievement is the result of our ongoing efforts to optimize operations and increase efficiency while maintaining a high level of product quality. Our management team has made a concerted effort to reduce expenses where possible, without compromising the integrity of our processes or products.

We are proud of our team's hard work and dedication, which has enabled us to generate sustainable profits and improve our financial performance. Going forward, we will continue to prioritize cost control measures and seek out new opportunities to grow our business and deliver value to our stakeholders.

UNDERGROUND DEVELOPMENTS

Despite operating with limited finances, we remained committed to investing in the necessary plants and equipment to support our underground development works. Over the year, we invested a total of Rs. 2.2 million in this area.

We recognize the critical role that these investments play in enabling us to maintain our operations and meet our production targets. As such, we made every effort to allocate resources in a manner that would enable us to make the most significant impact while operating within our financial constraints.

We are proud of the progress that we have made, and we remain committed to continued investment in our operations to support our growth and development. By prioritizing strategic investments and leveraging our resources effectively, we are confident that we can achieve sustained success in the years to come.

COCONUT PLANTATION AND ESTATE DEVELOPMENT

We have made significant progress in our efforts to maintain and expand our coconut plantation. To date, we have successfully re-planted 52 acres of coconut plantation, and have ensured that the estate is well-managed, providing regular employment opportunities for eight individuals who maintain the estate, as well as necessary infrastructure facilities and fertilizer support.

Furthermore, as part of our inter-plantation project, we have also initiated a pepper and banana plantation with the assistance of the Export Development Board, which is being maintained effectively.

However, we face some challenges with regard to our mining land. Currently, about 50 acres of the 102-acre land are not being utilized due to a court case, which has ordered that neither party is permitted to use the particular land. As a result, the area has grown into a jungle and is being used by villagers.

Additionally, we have encountered issues with a few ex-employees who are occupying the company's quarters by force. Furthermore, over 9 acres of land is being used by the Yowun Senankaya and Samurdhi Bank without any interest or benefit to the Company. There are also instances where parts of the land belonging to the Company have been illegally occupied, and houses have been built without permission or authorization.

We are taking active steps to address these issues and are working closely with relevant authorities to resolve these matters in a timely and efficient manner. We remain committed to ensuring that all of our land assets are used productively and are generating sustainable value for the Company and its stakeholders.

WORKERS WELFARE AND PROBLEMS

At KGLL, we have always maintained positive and collaborative relationships with our workers, with the goal of enhancing their efficiency, effectiveness, and motivation. We recognize that the nature of underground work is different from surface work, and as such, we take extra care to ensure that the unique needs and challenges of our underground workers are met.

We are proud to acknowledge that the success we have achieved during the year under review is a direct result of the hard work, commitment, and dedication of all our employees, especially the underground workers who are exposed to significant risks in their line of work. We value and appreciate their contributions and will continue to prioritize their safety and well-being.

We are also grateful for the unstinted support and cooperation of our co-directors, who have played an instrumental role in driving our progress and success during the year.

I would like to express my sincere thanks to the Honourable Minister and State Ministers of the Ministry of Industries, as well as the Secretary and staff of the Ministry of Industries, and the Secretary to the Treasury and staff who have extended their invaluable support to KGLL.

I would also like to thank the members of the Board of Directors and all employees of KGLL for their unwavering commitment and dedication to the organization.

Finally, I would like to extend a heartfelt thank you to the Auditor General of the Auditor General's Department and the staff who have provided their services to KGLL this year with professionalism and dedication. We appreciate their efforts and look forward to their continued support in the future.

Thusira Malawwe Thantri (LL.B)
Attorney-at-Law
Chairman
KAHATAGAHA GRAPHITE LANKA LIMITED

14th September 2023

AUDIT COMMITTEE REPORT

Role of the Audit Committee

The main object of the Audit Committee is encourage and safeguards the highest standards of integrity in financial reporting risk management. Compliance with statutory and regulatory requirements and maintenance of sound internal controls system.

Composition of the Audit Committee

The Audit Committee comprises three Non-Executive Directors and is chaired by a non-Executive Director nominated by the General Treasury. Board Secretary performed as the converter of the committee. The composition of the Audit Committee is as follows.

Mr . R. L. Weerasekara - Chairman Treasury Rep:/Director Apointed on 22.3.2022
Mr . A. D. L. G. Kalansooriya - Chairman Treasury Rep:/Director Resinged On 22.3.2022
Mr .Upul Abeysiriwardena -Director / Member (Left on 28/06/2022)
Mr. S. S. Katawalagedara - Director /Member (Left on 09/12/2022)
Mr.K K S S G Perera - Director / Member (Appoint on 09.12.2022)
Mr.D M Gunasekara - Director / Member (Appoint on 09.12.2022)
Mrs. Nilani Jayasiri Mrs .Vindya- Rep. Auditor General's Dept- Observer
Mr. B K M J Rodrigo - Chief Internal Auditor, Ministry of Industries Observer

Meetings and Attendance

Meetings of the committee are convened quarterly and meetings have been held during the year ended 31st March 2022. The Managerial officers of the company including the Accountant and the Auditor appointed by the Ministry of Industries are invited to attend the meetings as and when required.

Activities

The Audit Committee discharges its duties by reviewing and discussing the Draft final Accounts, Internal and External Audit Reports. The Audit Committee has reviewed these reports including recommended Additional controls and risk mitigation strategies for minimizing the possibility of occurrence and impact of fraud and errors, and operational and financial risks faced by the Company. In every meeting the committee discussed the matters in the internal Audit Reports in-depth and instructions / recommendations were given to the Management for rectifying the issues highlighted. Some matters were referred to the Board of Directors for decisions to be taken after further discussion.

The committee observed that the external Auditor has submitted a qualified opinion with regard to the final accounts of the year 2021/ 2022

On Behalf of the Committee
Chairman of the Audit Committee
14.09.2023

CORPORATE VISION

“TO BE THE UNIQUE SOURCE OF THE NATURAL CRYSTALLINE VEIN GRAPHITE IN THE WORLD”

CORPORATE MISSION

“TO BE A DYNAMIC PARTNER WHO IS EFFECTIVE AND EFFICIENT IN THE ECONOMIC AND SOCIAL DEVELOPMENT OF SRI LANKA BY EARNING FOREIGN EXCHANGE WITH OPTIMUM UTILIZATION OF GRAPHITE MINERAL RESOURCE IN THE COUNTRY”

CORPORATE OBJECTIVES

“THE BUSINESS OBJECTIVES OF THE COMPANY ARE, MINING AND PROCESSING FOR EXPORT OF HIGH PURITY QUALITY GRAPHITE AND MAXIMUM VALUE ADDITION AND DEVELOPING GRAPHITE BASED INDUSTRIES”

ORGANIZATIONAL STRUCTURE

Kahatagaha Graphite Lanka Limited is organized under an Executive Chairman and a Board of Directors.

The operations of the Company are organized under the following areas:

- ✓ Mining
- ✓ Processing
- ✓ Mechanical & Electrical Engineering
- ✓ Marketing
- ✓ Personnel
- ✓ Administration
- ✓ Finance & Accounting
- ✓ Supplies & Stores
- ✓ General Civil Engineering
- ✓ Security

KAHATAGAHA GRAPHITE LANKA LIMITED

ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2022

The Directors present herewith the audited Financial Statements for the year ended 31st March 2022. The Board of Directors are responsible for preparing and presenting the Financial Statements set out therein in accordance with the Sri Lanka Accounting Standards.

The Audited Financial Statements together with the Report of the Auditors thereon were approved by the Directors on 11th September 2023.

Principal Activities

The principal activities of the Company were.

1. To carry on the business of the part designated in Kolongaha, Kahatagaha Mines of the State Mining and Mineral Development Corporation which was created by Gazette Order published under the State Industrial Corporation Act No 49 of 1957.
2. To succeed to the ownership of property movable and immovable owned by and used by the part designated as Kolongaha – Kahatagaha Mines of the said State Mining and Mineral Development Corporation.

Review of Operations and Financial Highlights

The Financial Statements which include statement of profit or loss and comprehensive income, statement of financial position, statement of changes in equity and the notes to the financial statements of the company for the year ended 31st March 2022 are set out on pages 9 of the Annual Report.

Respective Responsibilities of Directors and Auditors for the Financial Statements

The Directors are responsible for the preparation of the Financial Statements so that they present a true and fair view of the ‘state of affairs’ of the Company. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Companies Act No.07 of 2007, the Sri Lanka Accounting and Auditing Standard Act.

Accounting Policies

The details of the accounting policies adopted by the Company in preparation of the financial statements and the impact thereon, of changes in the Sri Lanka Accounting standard made during the year are disclosed on page 7 to 14 of the Annual Report.

Property, Plant and Equipment

The movements in property, plant and equipment during the year are set out in Note 20 to the Financial Statement.

Investments

Company has invested Rs.12.96 Mn. in fixed & saving deposits to discharge employees’ gratuity obligation.

Donation

Company has made no donations during the accounting period.

Directors as at 31st March 2022

The names of the Directors who held office as at 31st March 2022 are as follows:

Full Name

Mr. Neel Waththuhewa

Mr . Ruchira Layan Weerasekara

Mr. Janith Dinuk Schokman

Mr. Weerawarna Nilaweera Ran Patabedige Damith Mewan

Mr. Sampath Susantha Ketawalagedara

Mr. Leel Gaminda Kalansuriya

The Board of Directors declare as follows:

- (1) The Company has not engaged in any activity which contravenes to any laws and regulations
- (2) All material interests in contracts involving the Company and refrained from voting on matters in which they were materially interested.
- (3) The Company has made all endeavours to ensure the equitable treatment of shareholders.
- (4) The business is a going concern, with supporting assumptions or qualifications as necessary; and they have conducted a review of the internal controls, covering financial, operational and compliance controls and risk management, and have obtained reasonable assurance of their effectiveness and successful adherence therewith and, if it is unable to make any.

Remuneration of Directors

The total remuneration of the Board of Directors during the year under review is given in Note No.13 of the Financial Statements.

Directors interest in contracts and proposed contracts with the Company

The Directors interest in contracts and proposed contracts with the Company are disclosed in Note 6 of the financial statements.

Statutory Payments

To the best of their knowledge and belief, the Directors are satisfied that all statutory payments in relation to the Government and to the employees have been settled to date or provided for in the books of the Company.

Contingent Liabilities and Capital Commitment

The Contingent liabilities and capital commitment made on account of capital expenditure as at 31st March 2022 are given in Note 8 of the Financial Statements.

Events after balance sheet date

The materiality of events after balance sheet was considered and where necessary, appropriate adjustments or disclosures have been made.

Post Balance Sheet Events

There are no significant events that have occurred after the balance sheet date which would have any material effect on the Company that require adjustments.

Going Concern

The Directors are confident that the Company has adequate resources to continue business operations. Accordingly, the Directors consider that it is appropriate to adopt the going concern basis in preparing the Financial Statements.

Auditor's Report

The Report of the Auditors on the Financial Statements included in the Annual Report.

Auditors

The Auditor General served as the Auditor during the year under review as the Auditor of the Company. The Auditor General has confirmed that he has had no interest in or relationship other than that of Auditors.

Fees payable to the Auditors for the financial year is given in Note 14 to the Financial Statements.

The Auditor General is appointed in terms of Article 154 of the Constitution.

BY ORDER OF THE BOARD OF KAHATAGAHA GRAPHITE LANKA LIMITED

.....
Director

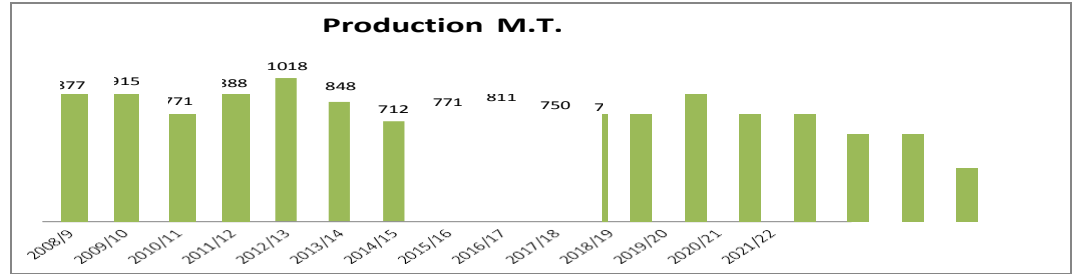
.....
Director

.....
**Sgd. Accounting Systems
Secretarial
Services (Pvt) Ltd**

Financial Highlights

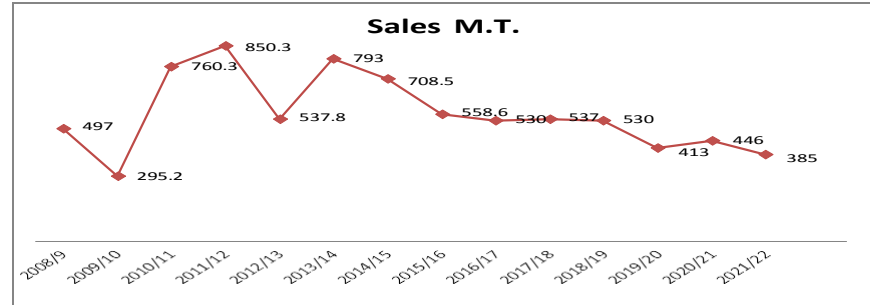
Production

Year	M.T.
2008/9	877
2009/10	915
2010/11	771
2011/12	888
2012/13	1018
2013/14	848
2014/15	712
2015/16	771
2016/17	811
2017/18	750
2018/19	732
2019/20	573
2020/21	599
2021/22	342



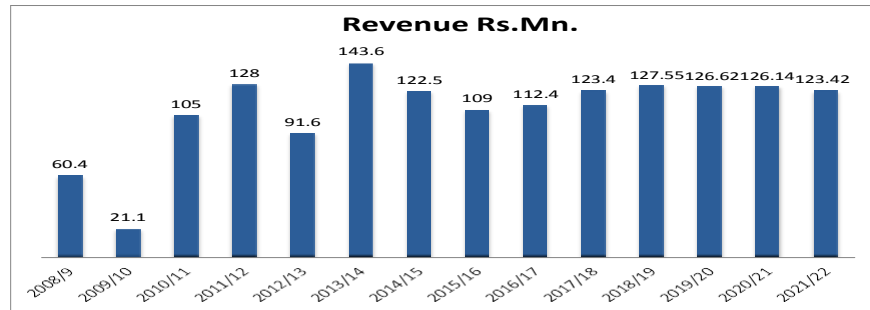
Sales

Year	M.T.
2008/9	497
2009/10	295.2
2010/11	760.3
2011/12	850.3
2012/13	537.8
2013/14	793
2014/15	708.5
2015/16	558.6
2016/17	530
2017/18	537
2018/19	530
2019/20	413
2020/21	446
2021/22	385



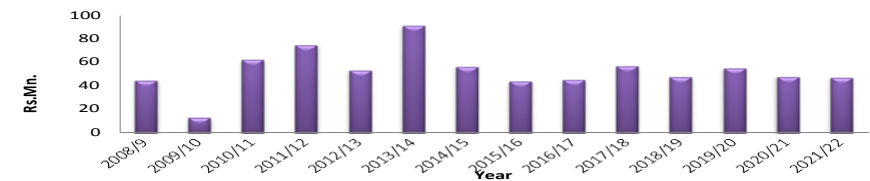
Revenue

Year	Rs.Mn.
2008/9	60.4
2009/10	21.1
2010/11	105
2011/12	128
2012/13	91.6
2013/14	143.6
2014/15	122.5
2015/16	109
2016/17	112.4
2017/18	123.4
2018/19	127.55
2019/20	126.62
2020/21	126.14
2021/22	123.42



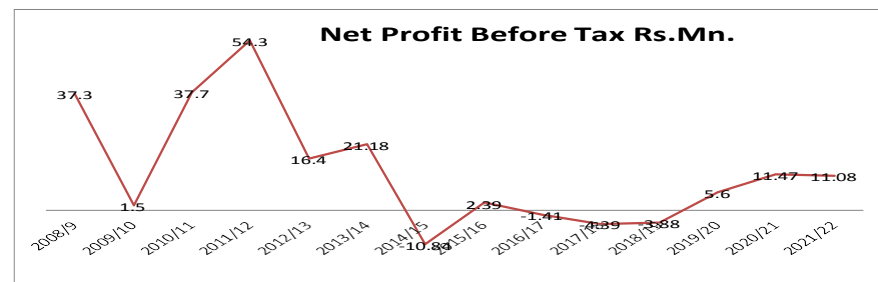
Gross Profit

Year	Rs.Mn.
2008/9	44.8
2009/10	13.1
2010/11	62.4
2011/12	74.9
2012/13	53.5
2013/14	91.36
2014/15	56.35
2015/16	44.08
2016/17	45.47
2017/18	57.19
2018/19	47.89
2019/20	55.4
2020/21	47.79
2021/22	47.31



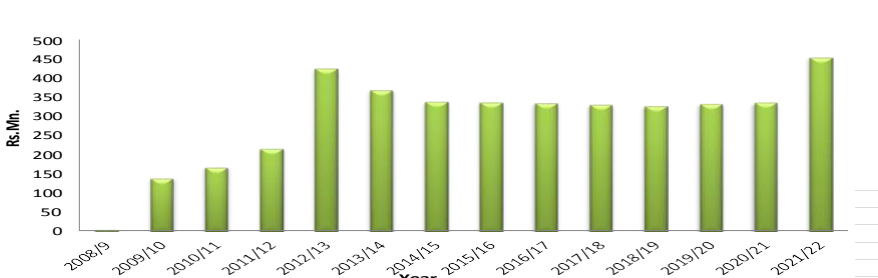
Net Profit Before Tax

Year	Rs.Mn.
2008/9	37.3
2009/10	1.5
2010/11	37.7
2011/12	54.3
2012/13	16.4
2013/14	21.18
2014/15	-10.84
2015/16	2.39
2016/17	-1.41
2017/18	-2.89
2018/19	-3.88
2019/20	5.6
2020/21	11.47
2021/22	11.08



Net Assets

Year	Rs.Mn.
2008/9	4.4
2009/10	137
2010/11	166
2011/12	214
2012/13	423.4
2013/14	367.5
2014/15	337
2015/16	336
2016/17	334
2017/18	329.7
2018/19	325.82
2019/20	331.42
2020/21	335.16
2021/22	452.4



KAHATAGAHA GRAPHITE LANKA LIMITED

ANNUAL ACCOUNTS 2021/22

FROM 01 APRIL 2021 TO 31 MARCH 2022

KAHATAGAHA GRAPHITE LANKA LIMITED ACCOUNTS 2021/22

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KAHATAGAHA GRAPHITE LANKA LIMITED

CORPORATE INFORMATION AS AT 31ST MARCH 2022

NAME OF THE COMPANY
KAHATAGAHA GRAPHITE LANKA LIMITED

LEGAL FORM
LIMITED LIABILITY COMPANY UNDER THE MINISTRY OF FINANCE

SHAREHOLDING & OWNERSHIP
100% OWNED BY SECRETARY TO THE TREASURY ON BEHALF OF THE GOVERNMENT OF SRI LANKA

REGISTERED OFFICE (HEAD OFFICE)
No. 561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05

MINES
KAHATAGAHA MINE, MADURAGODA, DODANGASLANDA

COMMUNICATION

HEAD OFFICE	MINES
TEL. : 011-2368737	TELE : 037-2252015
FAX : 011-2058062	FAX : 037-4931711
E MAIL : kgl@slt.net.lk	
WEBSITE : www.kgraphite.lk	

STATUTORY STATUS
LIMITED LIABILITY COMPANY INCORPORATED IN SRI LANKA UNDER
THE COMPANIES ACT NO. 7 OF 2007

COMPANY REGISTRATION NO
PB 1513

DIRECTORS AS AT 31ST MARCH 2022

NEEL WATHTHUHEWA
RUCHIRA LAYAN WEERASEKARA
JANITH DINUK SCHOKMAN
WEERAWARNA NILAWEERA RAN PATABEDIGE DAMITH MEWAN
SAMPATH SUSANTHA KETAWALAGEDARA
EKANAYAKE MUDIYANSELAGE KAPILA BANDARA EKANAYAKE
UPUL ABEYSIRIWARDANA

SECRETARY
ACCOUNTING SYSTEMS SECRETARIAL SERVICES (PVT) LTD
No. 11, CASTLE LANE, COLOMBO 04.

AUDITORS
AUDITOR GENERAL OF SRI LANKA

BANKERS
BANK OF CEYLON
KOLLUPITTYA AND RIDIGAMA.
NATIONAL SAVINGS BANK RIDIGAMA





ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

අයිඩබ්ලිව්එම්/සී/කේජීඑල්එල්/1/22

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

2023 අගෝස්තු 31 දින

සභාපති,

කහටගහ ග්‍රැෆයිට් ලංකා සමාගම

කහටගහ ග්‍රැෆයිට් ලංකා සමාගමේ 2022 මාර්තු 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් තෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්ත්වගණනය කළ මතය

කහටගහ ග්‍රැෆයිට් ලංකා සමාගමේ (“සමාගම”) 2022 මාර්තු 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ විස්තීර්ණ ආදායම් ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ මූල්‍ය ප්‍රකාශනවලට අදාළ සටහන්, සාරාංශගත වැදගත් ගිණුම්කරණ ප්‍රතිපත්තිවලින් සමන්විත 2022 මාර්තු 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

මාගේ වාර්තාවේ තත්ත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණුවලින් වන බලපෑම හැර, සමාගමේ මූල්‍ය ප්‍රකාශන තුළින් 2022 මාර්තු 31 දිනට මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා එහි මූල්‍ය ක්‍රියාකාරිත්වය හා මුදල් ප්‍රවාහ කුඩා හා මධ්‍ය පරිමාණ ව්‍යවසායන් සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

1.2 තත්වගණනය කළ මතය සඳහා පදනම

- (අ) කුඩා හා මධ්‍ය පරිමාණ ව්‍යවසායන් සඳහා වූ ගිණුම්කරණ ප්‍රමිතියේ 2.36 ඡේදයට පටහැනිව සමාගමේ 2018 වර්ෂයේ සිට 2021 මාර්තු 31 දින දක්වා වූ කාලපරිච්ඡේදයට අදාළ ස්ථාවර තැන්පතු පොලී රු.1,939,610 ක් මුදල් පදනම මත සමාලෝචිත වර්ෂයේ පොලී ආදායම ලෙස ගිණුම්ගත කර තිබීම හේතුවෙන් වර්ෂයේ ලාභය එම වටිනාකමින් වැඩියෙන් දක්වා තිබුණි.
- (ආ) රු.3,883,025 ක් වූ පූර්ව කාලපරිච්ඡේද ගැලපුම් වලට අදාළව කුඩා හා මධ්‍ය පරිමාණ ව්‍යවසායන් සඳහා වූ ගිණුම්කරණ ප්‍රමිතියේ 10.23 ඡේදයේ (a) සිට (d) දක්වා වූ තොරතුරු මූල්‍ය ප්‍රකාශනවල හෙළිදරව් කර නොතිබුණි.
- (ඇ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති 16 හි 79(ඇ) ඡේදය ප්‍රකාරව දැනට භාවිතා නොකරන රු.23,210,000 ක් වූ යන්ත්‍රෝපකරණ පිළිබඳව මූල්‍ය වාර්තාවල හෙළිදරව් කර නොතිබුණි.
- (ඈ) සමාලෝචිත වර්ෂයේදී සමාගම විසින් ගනුදෙනුකරුවන් වෙනුවෙන් භූ විද්‍යා සමීක්ෂණ හා පතල් කාර්යාංශයට ගෙවන ලද රු.827,410 ක රාජ්‍යභාගය ලැබිය යුතු දෑ ලෙස ගිණුම්වල දක්වා නොතිබුණි.
- (ඉ) මුදල් ප්‍රවාහ ප්‍රකාශනයේ තොගයේ වෙනස්වීම රු.127,734 කින් අඩුවෙන් ද පොලී ගෙවීම් එම ප්‍රමාණයෙන් වැඩියෙන්ද දක්වා තිබුණි.

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි. ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මෙම විගණන ප්‍රමිති යටතේ වූ මාගේ වගකීම, මෙම වාර්තාවේ මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම යන කොටසේ තවදුරටත් විස්තර කර ඇත. මාගේ තත්වගණනය කළ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබාගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

1.3 සමාගමේ 2021/2022 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් සමාගමේ 2021/2022 වාර්ෂික වාර්තාවේ ඇතුළත් කර ඇති නමුත් මූල්‍ය ප්‍රකාශන සහ ඒ පිළිබඳව වූ මගේ විගණන වාර්තාවේ ඇතුළත් නොවන තොරතුරු, අනෙකුත් තොරතුරු යන්නෙන් අදහස් වේ. මෙම අනෙකුත් තොරතුරු සඳහා කළමනාකරණය වගකිව යුතුය.

මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් වූ මගේ මතයෙන් අනෙකුත් තොරතුරු ආවරණය නොකරන අතර මම ඒ පිළිබඳ කිසිදු ආකාරයක සහතිකවීමක් හෝ මතයක් ප්‍රකාශ නොකරමි.

මූල්‍ය ප්‍රකාශන පිළිබඳ මගේ විගණනයට අදාළව, මගේ වගකීම වන්නේ ඉහත හඳුනාගත් අනෙකුත් තොරතුරු ලබා ගත හැකි වූ විට කියවීම සහ එසේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මගේ දැනුම අනුව ප්‍රමාණාත්මක වශයෙන් නොගැළපෙනවාද යන්න සලකා බැලීමයි.

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් අනෙකුත් තොරතුරු මත හා මා විසින් කරන ලද කාර්යයන් මත පදනම්ව, මෙම අනෙකුත් තොරතුරු ප්‍රමාණාත්මක වශයෙන් වැරදි ලෙස දක්වා ඇති බව මම නිගමනය කරන්නේ නම්, එම කරුණ මා විසින් වාර්තා කිරීමට අවශ්‍ය වේ. මේ සම්බන්ධයෙන් මට වාර්තා කිරීමට කිසිවක් නැත.

1.4 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම්

මෙම මූල්‍ය ප්‍රකාශන කුඩා හා මධ්‍ය පරිමාණයේ ව්‍යවසායන් සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමේදී, සමාගම අඛණ්ඩව පවත්වාගෙන යාමේ හැකියාව තීරණය කිරීම කළමනාකරණයේ වගකීමක් වන අතර, කළමනාකාරිත්වය සමාගම ඇවර කිරීමට අදහස් කරන්නේ නම් හෝ වෙනත් විකල්පයක් නොමැති විටදී මෙහෙයුම් නැවැත්වීමට කටයුතු කරන්නේ නම් හැර අඛණ්ඩ පැවැත්මේ පදනම මත ගිණුම් තැබීම හා සමාගමේ අඛණ්ඩ පැවැත්මට අදාළ කරුණු අනාවරණය කිරීමද කළමනාකරණයේ වගකීමකි.

සමාගමේ මූල්‍ය වාර්තාකරණ ක්‍රියාවලිය සම්බන්ධව පරීක්ෂා කිරීමේ වගකීම, පාලනය කරන පාර්ශවයන් විසින් දරනු ලබයි.

2018 අංක 19 දරන ජාතික විගණන පනතේ 16 (1) උප වගන්තිය ප්‍රකාරව, සමාගමේ වාර්ෂික සහ කාලීන මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවන පරිදි ස්වකීය ආදායම්, වියදම්, වත්කම් හා බැරකම් පිළිබඳ නිසි පරිදි පොත්පත් හා වාර්තා පවත්වාගෙන යා යුතුය.

1.5 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

සමස්තයක් ලෙස මූල්‍ය ප්‍රකාශන, වංචා සහ වැරදි නිසා ඇතිවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොර බවට සාධාරණ තහවුරුවක් ලබාදීම සහ මාගේ මතය ඇතුළත් විගණන වාර්තාව නිකුත් කිරීම මාගේ අරමුණ වේ. සාධාරණ සහතිකවීම උසස් මට්ටමේ සහතිකවීමක් වන නමුත්, ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනය සිදු කිරීමේදී එය සෑමවිටම ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් අනාවරණය කරගන්නා බවට වන තහවුරු කිරීමක් නොවනු ඇත. වංචා සහ වැරදි තනි හෝ සාමූහික ලෙස බලපෑම නිසා ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවිය හැකි අතර, එහි ප්‍රමාණාත්මකභාවය මෙම මූල්‍ය ප්‍රකාශන පදනම් කරගනිමින් පරිශීලකයන් විසින් ගනු ලබන ආර්ථික තීරණ කෙරෙහි වන බලපෑම මත රඳා පවතී.

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකමුසුබවින් යුතුව ක්‍රියා කරන ලදී. මා විසින් තවදුරටත්,

- ප්‍රකාශ කරන ලද විගණන මතයට පදනමක් සපයා ගැනීමේදී වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවීමේ අවදානම් හඳුනාගැනීම හා තක්සේරු කිරීම සඳහා අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්සන්ධානයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, චේතනාන්විත මඟහැරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.
- අභ්‍යන්තර පාලනයේ සඵලදායීත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීමේ අදහසින් නොවුවද, අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබාගන්නා ලදී.
- භාවිතා කරන ලද ගිණුම්කරණ ප්‍රතිපත්තිවල උචිතභාවය, ගිණුම්කරණ ඇස්තමේන්තුවල සාධාරණත්වය සහ කළමනාකරණය විසින් කරන ලද සම්බන්ධිත හෙළිදරව් කිරීම් අගයන ලදී.
- සිද්ධීන් හෝ තත්ත්වයන් හේතුවෙන් සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් තිබේද යන්න සම්බන්ධයෙන් ලබාගත් විගණන සාක්ෂි මත පදනම්ව ගිණුම්කරණය සඳහා සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ පදනම යොදා ගැනීමේ අදාළත්වය තීරණය කරන ලදී. ප්‍රමාණවත් අවිනිශ්චිතතාවයක් ඇති බවට මා නිගමනය කරන්නේ නම් මූල්‍ය ප්‍රකාශනවල ඒ සම්බන්ධයෙන් වූ හෙළිදරව්කිරීම්වලට මාගේ විගණන

වාර්තාවේ අවධානය යොමු කළ යුතු අතර, එම හෙළිදරව්කිරීම් ප්‍රමාණවත් නොවන්නේ නම් මාගේ මතය විකරණය කළ යුතුය. කෙසේ වුවද, අනාගත සිද්ධීන් හෝ තත්ත්වයන් මත අඛණ්ඩ පැවැත්ම අවසන් වීමට හැකිය.

- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව සහ හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ථ ඉදිරිපත් කිරීම අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැදගත් විගණන සොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව පාලනය කරනු ලබන පාර්ශවයන් දැනුවත් කරමි.

2. වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව

2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 2007 අංක 7 දරන සමාගම් පනතේ පහත සඳහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.

2.1.1 මාගේ වාර්තාවේ තත්ත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර ,2007 අංක 7 දරන සමාගම් පනතේ 163(2) වගන්තියේ සහ 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(අ) වගන්තියේ සඳහන් අවශ්‍යතාවයන් අනුව, විගණනය සඳහා අවශ්‍ය සියලු තොරතුරු සහ පැහැදිලි කිරීම් මා විසින් ලබාගන්නා ලද අතර, මාගේ පරීක්ෂණයෙන් පෙනී යන ආකාරයට නිසි මූල්‍ය වාර්තා සමාගම පවත්වා ගෙන ගොස් තිබුණි.

2.1.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 6 (1)(ඇ)(iii) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරූප වේ.

2.1.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 6 (1)(ඇ)(iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මාගේ වාර්තාවේ ඉකුත් වර්ෂයේදී මා විසින් සිදුකරන ලද නිර්දේශයන් ඉදිරිපත් කරන ලද මූල්‍ය ප්‍රකාශනවල ඇතුළත්ව ඇත.

2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද සාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සීමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශ කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවීය.

2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ පාලක මණ්ඩලයේ යම් සාමාජිකයෙකුට සමාගම සම්බන්ධව යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්ත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.

2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණ හැර යම් අදාළ ලිඛිත නීතියකට හෝ සමාගමේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව.

නීතිරීති / විධානයට යොමුව	නිරීක්ෂණ
(අ) 2021 නොවැම්බර් 16 දිනැති අංක 01/2021 දරන රාජ්‍ය ව්‍යාපාර වක්‍රලේඛය මගින් හඳුන්වා දී ඇති මෙහෙයුම් අත්පොතෙහි 6.6. ඡේදය	ගිණුම් වර්ෂය අවසාන වී දින 60 ක් ඇතුළත කෙටුම්පත් වාර්ෂික වාර්තාව හා මූල්‍ය ප්‍රකාශන විගණකාධිපති වෙත ඉදිරිපත් කළ යුතු වුවත් සමාගමේ 2021/2022 ගිණුම් වර්ෂයට අදාළ මූල්‍ය ප්‍රකාශන විගණනයට ඉදිරිපත් කර තිබුණේ 2023 අප්‍රේල් 03 දිනදීය.
(ආ) 2018 අංක 19 දරන ජාතික විගණන පනතේ 40 වගන්තිය	සමාගම සඳහා අභ්‍යන්තර විගණකවරයෙකු පත්කර නොතිබුණි.

2.2.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ බලතල, කර්තව්‍ය සහ කාර්යයන්ට අනුකූල නොවන ලෙස කටයුතු කර ඇති බව.

2.2.4 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඌ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ ඵලදායී ලෙස කාලසීමාවන් තුළ අදාළ නීතිරීති වලට අනුකූලව ප්‍රසම්පාදනය කර භාවිතා කර නොමැති බව.

2.3 වෙනත් නිරීක්ෂණ

- (අ) විකුණුම් වලට අදාළ රාජ්‍යභාග ගැනුම්කරුගෙන් අයකර ගැනීම සමාගම විසින් දිගින් දිගටම සිදුකර තිබුණද ඒ පිළිබඳව වූ ප්‍රතිපත්තිය හෙළිදරව් කර නොතිබුණි.
- (ආ) ඉහළ කාබන් ප්‍රතිශතයකින් යුත් මිනිරන් කැණීම් කර මාසික නිෂ්පාදනය මෙට්‍රික් ටොන් 90 දක්වා වර්ධනය කර ගැනීමට සමාගම සැලසුම් කර තිබුණද සමාලෝචිත වර්ෂයේ මාසික සාමාන්‍ය නිෂ්පාදනය මෙට්‍රික් ටොන් 29 ක් වූ අතර මුළු නිෂ්පාදනය මෙට්‍රික් ටොන් 342.35 ක් විය. ඒ අනුව මෙට්‍රික් ටොන් 599.30 ක් වූ ඉකුත් වර්ෂයේ නිෂ්පාදනයට සාපේක්ෂව සමාලෝචිත වර්ෂයේ නිෂ්පාදනය මෙට්‍රික් ටොන් 256.95 කින් අඩුවී තිබුණි.
- (ඇ) ක්‍රියාකාරී සැලැස්ම අනුව අමුද්‍රව්‍ය ස්වරූපයේ මිනිරන් මෙට්‍රික් ටොන් 680 ක් පෙරසැරිකර අපනයනය කිරීම මගින් රු.මිලියන 219.7 ක ආදායමක් ඉපැයීමට සැලසුම් කර තිබුණද සමාලෝචිත වර්ෂයේ මිනිරන් මෙට්‍රික් ටොන් 384.81 ක් දේශීය හා විදේශීය වශයෙන් අලෙවි කර රු.මිලියන 123.4 ක ආදායමක් පමණක් උපයාගෙන තිබුණි.
- (ඈ) ලෝකයේ ස්වාභාවික ස්ඵටික ධමනි මිනිරන් සඳහා වූ අද්විතීය සැපයුම්කරුවීම සමාගමේ දැක්ම වුවද සමාගම තම ගැනුම්කරුවන් තෝරා ගැනීමට ජාත්‍යන්තර ටෙන්ඩර් පරිපාටිය අනුගමනය කර නොතිබුණු අතර දිගින් දිගටම විදේශීය ගැනුම්කරුවන් දෙදෙනෙකුට සමාගමේ මුළු නිෂ්පාදනය අපනයන කරමින් පැවතුණි. ඒ හේතුවෙන් සමාගමේ දැක්ම අනුව කාර්ය මෙහෙයවීමක් නොවූ අතර විදේශීය ගැනුම්කරුවන් අතර තරඟකාරීත්වයක් ඇතිකර මිනිරන් සඳහා ඉහළ මිලක් ලබාගැනීමට හා නව වෙළඳපොළ සොයා ගැනීමටද නොහැකිව තිබුණි. මෙහිදී, සමාලෝචිත වර්ෂයේ අලෙවි ප්‍රවර්ධනය සඳහා සැලසුම් කළ වෙළඳපොළ ප්‍රචාරණය , තානාපති කාර්යාල වල සහය ලබා ගැනීම, ජාත්‍යන්තර ප්‍රභව වලින් ලෝක මිල ගණන් ලබා ගැනීම යනාදී කාර්යභාරයන් ක්‍රියාත්මක කරද නොතිබුණි.
- (ඉ) මිනිරන් බනිජය සඳහා අගය එකතු කිරීමේ ක්‍රියාවලීන් සිදුකිරීම අරමුණු කර ගෙන සමාගමේ විද්‍යාගාරය ස්ථාපිත කර තිබුණද ඊට අදාළ කාර්යයන් කිසිවක් එහි සිදුකර නොතිබුණු අතර අපනයනය සඳහා සකස් කරන ලද මිනිරන් සාම්පල තුළ අන්තර්ගත කාබන් ප්‍රතිශතය මිනුම් කිරීම පමණක් එහිදී සිදුකර තිබුණි. සමාගම වර්තමානය වන විට පියලි (Flake- 97%-99%) සහ විජස් (Chips-90%-92%C) යන ආකාර වලින් පමණක් මිනිරන් අපනයනය කර තිබුණු අතර අගය එකතු කර නිමි හෝ අර්ධනිමි වශයෙන් නිෂ්පාදනයන් සිදුකර නොතිබුණි.

- (ඊ) තොගයෙන් වැඩි ප්‍රමාණයක් එනම්, සියයට 57 ක් පමණ අඩු කාබන් ප්‍රතිශතයකින් යුත් මිනිරන් වලින් සමන්විත වී තිබුණු අතර Flotation යන්ත්‍රයක් මිලදීගෙන, එය ආධාරයෙන් අඩු කාබන් සහිත මිනිරන්වල කාබන් ප්‍රතිශතය ඉහළ නංවා ආදායම වැඩිකර ගැනීමට ක්‍රියාකාරී සැලැස්ම අනුව අපේක්ෂා කර තිබුණද මුදල් නොලැබීම හේතුවෙන් 2023 ජුනි 30 වන විටද එය ක්‍රියාත්මක කර නොතිබුණි.
- (උ) කහටගහ පතලට අයත් අක්කර 26.5 ක් සහ අක්කර 6 ක ඉඩම් කොටස් දෙකක් සම්බන්ධයෙන් අයිතිවාසිකම් ඉදිරිපත් කරමින් බාහිර පුද්ගලයින් විසින් පිළිවෙලින් 2004 සහ 2007 වර්ෂ වලදී සමාගමට එරෙහිව නඩු පවරා තිබුණි. එසේ වුවද එම නඩු කටයුතු විගණිත දිනය වූ 2023 මැයි 31 දින වන විටත් නිරවුල් වී නොතිබුණි. තවද, පතලේ සේවය කළ පුද්ගලයින් තිදෙනෙකුද ඇතුළුව 11 දෙනෙකු පතල් භූමිය තුළ පිහිටි රුඩ් 8 යි පර්චස් 87 ක ප්‍රදේශයක් තුළ පිහිටි නිල නිවාසවල අනවසරයෙන් පදිංචි වී සිටින අතර අනවසර පදිංචිකරුවන් ඉවත් කිරීමට අමාත්‍යාංශ මට්ටමින් කටයුතු කර ඇතත් 2023 මැයි 31 වන විටද නිරවුල් කර ගැනීමට නොහැකි වී තිබුණි.
- (ඌ) 2003 ඔක්තෝබර් 15 දිනැති ප්‍රතිපත්ති සම්පාදන සහ ක්‍රියාත්මක කිරීමේ අමාත්‍යාංශයේ ලේකම්ගේ ලිපියට අනුව දොඩම්ගස්ලන්ද යොවුන් සේනාංක පුහුණු මධ්‍යස්ථානය වෙනුවෙන් අවශ්‍ය ඉඩ පහසුකම් කහටගහ පතලට අයත් ඉඩම්වලින් ලබා දීමට 2003 ඔක්තෝබර් 16 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී තීරණය කර තිබුණි. ඒ අනුව 2003 වර්ෂයේ සිට වර්ෂ 03 ක කාලයක් සඳහා ඉඩම නිදහස් කර තිබුණද විගණිත දිනය වන විට එම කාලය වසර 18 ක් ඉක්මගොස් ඇතත් බදුකුලී ගිවිසුමකට එළඹීමෙන් හෝ බදුකුලී ගෙවීමෙන් තොරව පුහුණු මධ්‍යස්ථානය සඳහා ඉඩම පාවිච්චි කරනු ලබයි.
- (එ) සමාගමේ පොල් වගාවේ ආදායම වූ රු.1,609,395 වෙනම ආදායම් මූලාශ්‍රයක් ලෙස හඳුනාගැනීම වෙනුවට විවිධ ආදායම් ලෙස දක්වා තිබුණි. ඊට අදාළ වියදම රු.2,587,823 ක් වීමෙන් ඒ තුළින් වූ ශුද්ධ අලාභය රු.978,428 ක් විය.
- (ඒ) අනුමත කාර්ය මණ්ඩලය අනුව, සමාගම කොන්ත්‍රාත් පදනම මත බඳවා ගත යුතු 79 දෙනෙකුගෙන් යුතු කාර්ය මණ්ඩලයකින් සමන්විත විය යුතු වුවද, සමාලෝචිත වර්ෂය අවසානයට ස්ථිර කාර්ය මණ්ඩලය 42 ක්ද කොන්ත්‍රාත් පදනම මත 74 ක්ද, වැඩබැලීමේ පදනම මත එක් නිලධාරියෙක් හා අනියම් කම්කරුවන් 09 ක්ද, ඇතුළුව කාර්ය මණ්ඩලය 126 දෙනෙකු විය.

(ඔ) 2006 වර්ෂයේ සිට භාවිතයෙන් ඉවත් කර තිබුණු සමාගමේ ජීප් රථය අළුත්වැඩියා කිරීමට හෝ අපහරණය කිරීමට කටයුතු නොකර සමාගම් භූමියේ නිෂ්කාර්යව ගාල් කර තිබුණි.



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KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31st MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
REVENUE			
Sale of Graphite	10	123,428,333	126,142,779
Direct Cost, Mining Cost	11	<u>(76,115,453)</u>	<u>(78,349,179)</u>
GROSS PROFIT/(LOSS)		47,312,880	47,793,600
Sundry Income	12	(888,428)	(1,462,534)
Interest Income		2,785,428	50,652
LESS: OPERATING COST			
Personnel Cost	13	(16,073,342)	(17,470,898)
Establishment & Administration Cost	14	(8,336,222)	(6,690,505)
Maintenance Cost	15	(2,085,165)	(1,882,120)
Utility Cost	16	(922,947)	(1,109,656)
Depreciation Cost	17	(5,305,262)	(5,352,815)
Foreign Exchange Gain/(Loss)		(4,625)	(294,373)
Defined Contribution Plan - Gratuity	21	<u>(2,593,101)</u>	<u>1,162,416</u>
Administration Cost		(35,320,664)	(31,637,950)
Selling and Distribution Cost	18	(1,827,944)	(1,317,252)
Finance Cost	19	(975,512)	(1,949,315)
OPERATING PROFIT/(LOSS)		<u>11,085,760</u>	<u>11,477,201</u>
Impairment			
PROFIT/(LOSS) BEFORE TAXATION		<u>11,085,760</u>	<u>11,477,201</u>
Taxation	30	(2,697,714)	(2,300,670)
Deferred Tax Expenses	26	74,200	(376,143)
PROFIT/(LOSS) AFTER TAXATION		<u>8,462,246</u>	<u>8,800,388</u>
OTHER COMPREHENSIVE INCOME			
Other comprehensive income / (loss) for the year			
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>8,462,246</u>	<u>8,800,388</u>



KAHATAGAHA GRAPHITE LANKA LIMITED


STATEMENT OF FINANCIAL POSITION


AS AT 31 MARCH	NOTES	2021/2022 LKR	2020/2021 LKR
ASSETS			
Non Current Assets			
Property, Plant & Equipment	20	220,080,244	145,494,352
Non Operating Assets	21	23,210,000	3,773,062
Coconut Plantation Development		1,694,235	1,694,235
Gratuity Investment Fund		12,969,507	10,664,290
Deferred Tax Assets	26	78,745	4,545
		<u>258,032,731</u>	<u>161,630,485</u>
Current Assets			
Stock	22	218,018,336	202,748,216
Debtors, Deposit & Receivable	23	34,380,827	13,987,222
Cash & Cash Equivalent	24	430,260	15,754,319
		<u>252,829,423</u>	<u>232,489,757</u>
TOTAL ASSETS		<u>510,862,155</u>	<u>394,120,242</u>
EQUITY AND LIABILITIES			
Capital And Reserves			
Stated Capital	25	13,000,000	13,000,000
Revaluation Reserves		108,779,170	-
Retained Earnings		330,624,051	322,161,803
		<u>452,403,221</u>	<u>335,161,803</u>
Long Term Liabilities			
Gratuity Provision	27	18,091,672	16,881,328
		<u>18,091,672</u>	<u>16,881,328</u>
Current Liabilities			
NSB Loan Account - Short Term	28	129,027	3,542,594
Trade and Other Creditors	29	6,558,964	5,217,558
Provision For Taxation	30	12,063,082	9,365,368
Accrued Expences	31	21,616,189	23,951,592
		<u>40,367,261</u>	<u>42,077,111</u>
TOTAL EQUITY AND LIABILITIES		<u>510,862,155</u>	<u>394,120,242</u>

I certify that the Financial Statements have been prepared in compliance with requirements of the Companies Act No 7 of 2007.


 A.U.M.B. Bokalamulla
 Mechanical Engineer/ Acting Manager
Mines Manager
Kahatagaha Graphite Lanka Ltd
Maduragoda

The Board of Directors is responsible for the preparation of these Financial Statements signed for and on behalf of Board by


 T.C. Malawwe Thantri (LLB, Attorney-at-Law)
 Chairman


 M.M.P.A. Kumara
 Director

Thusira Malawwe Thantri (L.L.B)
Attorney-at-Law
Chairman
KAHATAGAHA GRAPHITE LANKA LIMITED


 A.C.W.W.M. Koswatta (MBA,BSC,CBA,MAAT)
 Chartered Accountant
KAHATAGAHA GRAPHITE LANKA LIMITED
MADURAGODA



KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share Capital LKR	Revaluation Reserve LKR	Accumulated Profit/(Loss) LKR	Total LKR
Balance on 01st April 2020	13,000,000	-	317,599,855	330,599,855
Prior year adjustment			(4,238,439)	(4,238,439)
Profit/(Loss) for the Year	-	-	12,683,414	12,683,414
Balance on 31st March 2021	<u>13,000,000</u>	<u>-</u>	<u>326,044,830</u>	<u>339,044,830</u>
Balance on 01st April 2021	13,000,000	-	326,044,830	339,044,830
Prior year adjustment - (Note 1)			(3,883,025)	(3,883,025)
Profit/(Loss) for the Year	-		8,462,246	8,462,246
Revaluation Adjustments		108,779,170		
Balance on 31st March 2022	<u>13,000,000</u>	<u>108,779,170</u>	<u>330,624,051</u>	<u>343,624,051</u>
Note 1				
Income Tax Adjustment			632,121.00	
Surcharges on delay payments -Electricity - Adjustment			(1,356,892.30)	
Cost of production adjustment			(2,511,081.79)	
Royalty Adjustment			913,359.84	
Security Bill Adjustment			(1,560,532.00)	
			<u>(3,883,025.25)</u>	



KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CASH FLOW

YEAR ENDED 31ST MARCH

	2021/2022 LKR	2020/2021 LKR
Cash Flows From/(Used in) Operating Activities		
Net Profit/(Loss) before Income Tax Expenses	11,085,760	11,477,201
Adjustments for :		
Gratuity Provision	2,593,101	(1,162,416)
Depreciation on Tangible Fixed Assets	16,836,061	21,583,480
Forigne Exchange Gain / (Loss)	(4,625)	(294,373)
Interest Recived	(2,785,428)	(50,652)
Interest Expences	958,635	1,900,644
Operating Profit before Working Capital changes	28,683,503	33,453,884
(Increase)/Decrease in Inventories	(15,142,386)	(20,829,624)
(Increase)/Decrease in Receivable	(20,393,605)	201,140
(Decrease)/Increase in Loan Outstandings	(3,413,567)	897,180
(Decrease)/Increase in Creditors	1,341,407	352,984
(Decrease)/Increase in Accruals	(2,335,402)	5,323,087
Cash Generated from Operations	(11,260,050)	19,398,651
Interest Paid	(958,635)	(1,900,644)
Income Tax Paid		
Net Cash Flow From/(Used in) Operating Activities	(12,218,685)	17,498,007
Cash Flow From/(Used in) Investing Activities		
Purchase of Tangible Fixed Assets	(2,207,455)	(1,742,692)
Interest Recived	2,785,428	50,652
Gratuity Investment Fund	(2,305,217)	1,623,714
Net Cash Flows From/(Used in) Investing Activities	(1,727,243)	(68,326)
Cash Flow From/(Used in) Financing Activities		
NSB Loan Account - Purchase Air Compresor	-	(3,010,566)
Gratuity Paid	(1,382,756)	(3,727,663)
Net Cash Flows From/(Used in) Financing Activities	(1,382,756)	(6,738,229)
Effect of Forigne currency exchange of Cash & Cash Equivalent	4,625	294,373
Net Increase/(Decrease) Cash & Cash Equivalents	(15,324,060)	10,985,826
Cash and Cash Equivalents at beginning of the year	15,754,320	4,768,494
Cash and Cash Equivalents at end of the year	430,260	15,754,320
Cash & Cash Equivalents		
Bank Of Ceylon - Redigama	36,243	625,620
Bank Of Ceylon - Kollupitiya	333,396	960,937
DFC \$ A/C - BOC Kollupitiya	60,621	14,146,930
Cash/ Cash Advance Acc.	-	-
Petty Cash - Head Office	-	4,869
Petty Cash - Mine Office	-	15,964
	430,260	15,754,320



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st MARCH 2022

1. CORPORATE INFORMATION

1.1 GENERAL

KAHATAGAHA GRAPHITE LANKA LIMITED had been a 'Peoplized' Company and re-vested in 1997 with the Government under the Rehabilitation of Public Enterprises Act. No. 29 of 1996. Now it is functioning as a fully government owned business undertaking and Registered under the Companies Act No. 07 of 2007. The Registered Office of the Company is located at No. 561/3, Elvitigala Mawatha, Narahenpita, Colombo 05.

1.2 Principal Activities and Nature of Operations

During the period, principal activities of the Company were Manufacturing and Export of Graphite.

1.3 Directors' Responsibility Statement

The Board of Directors is responsible for preparation and presentation of financial statements.

1.4 Comparative Figures

The previous figures and phrases have been re-arranged to comply with current year presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Financial Statements of the Company has been prepared on a historical cost basis, unless otherwise indicated. The financial statements are presented in Sri Lankan Rupees (LKR), unless otherwise indicated.

2.1.1 Functional and presentation currency

The Financial Statements are presented in Sri Lankan Rupees (LKR), which is the Company's functional currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

2.2 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter "SLFRS for SME"), as issued by the Institute of Chartered Accountants of Sri Lanka.

The preparation and presentation of these Financial Statements is in compliance with the requirements of the Companies Act No.07 of 2007.

These financial statements include comparative information for only one year (2017). On the transition, the entity did not choose to apply the fair value or revaluation as deemed cost exemptions in Fair value as deemed cost and Revaluation as deemed cost.

The Company has consistently applied the accounting policies used in preparation of its opening SLFRS Statement of Financial Position as at 01st April 2017 through all periods presented, as if these policies had always been in effect.



2.3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made following judgements which have the most significant effect on the amounts recognised in the financial statements

a) Classification of Property

The Company determines whether a property is classified as investment property or an owner occupied property. Investment property comprises land and buildings which are not occupied substantially for use by, or in the operations of the Company, not for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation. The Company determines whether a property qualifies as investment property by considering whether the property generates cash flows largely independently of the other assets held by the entity. Owner occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (leased out separately under a finance lease) or the financial accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Company considers each property separately in making its judgment.

b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) Employee Benefits

The Company measures the present value of the promised retirement benefits of gratuity which is a defined benefit plan using the Projected Unit Credit Method (PUC) as recommended by Section 28 of SLFRS for SME.

e) Impairment of Non-Financial Assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.



f) Impairment of Trade & Other Receivable -

The Company reviews at each reporting date all receivables to assess whether impairment should be recorded in the Income Statement. Management uses judgment in estimating such allowance considering the duration of outstanding and any other factors management is aware of that indicates uncertainty in recoverability.

3. Significant Accounting Policies

3.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Accrual basis has been followed in charging the expenditure items to the revenue.

3.1.1 Foreign currency

Foreign currency translations

The Financial Statements are presented in Sri Lankan Rupees, which is also the Company's functional currency as explained in note 2.1.1.

3.1.2 Foreign currency transactions and balances

Transactions in foreign currencies are translated into functional currency, which is Sri Lankan Rupees, using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate of the functional currency prevailing at the reporting date. Foreign exchange differences arising on translation of foreign exchange transactions are recognised in the Statement of Profit or Loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss except for differences arising on the retranslation of available for-sale equity instruments, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction

a) Export Revenue

Export revenue is recognized based on actual exports effected on an accrual basis.

b) Interest Revenue

Interest revenue is accounted at the time of the received

c) Estate Crop Revenue

Estate income is recognized on cash basis.

d) Other Income

Other income is recognized on an actual basis.

3.2 Expenditure

All expenditure incurred in the running of the business and in maintaining the capital assets have been charge to Revenue on an accrual basis in arriving at the profit/(Loss) for the year.

3.3 Taxation



a) Current Taxes

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b) Deferred Taxation

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

c) Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except, where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities, in which case, the sales tax is recognized as a part of the cost of the asset or part of the expense items, as applicable or/and receivable and payable that are stated with the amount of sales tax included. The net amount of sales tax recoverable from or payable to the taxation authorities is included as a part of receivables or payables in the statement of financial position.

3.4 Property, Plant and Equipment

Property, Plant and Equipment is initially stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the Property, Plant and Equipment if the recognition criteria are met. When significant parts of Property, Plant and Equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Income Statement as incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income Statement in the year the asset is derecognized.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.



Under the LKAS 16 Valuations to be performed every 3-5 years or frequently enough to ensure that the fair value of a revalue asset does not differ materially from its carrying amount.

A revaluation surplus is recognised in Other Comprehensive Income and credited to the asset revaluation reserve in Equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the Income Statement, such the increase is recognised in the Income Statement. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

The provision for depreciation/amortization is calculated by using a straight line method on the cost/revaluation of all Property, Plant and Equipment in order to write off such amounts over the following estimated useful lives by equal instalments.

Depreciation Rates are as indicated Note 20 to the accounts.

No depreciation provided for non-operating assets.

During the year under review the depreciation component pertaining to production process charged to under direct mining cost.

Fair value of Property, Plant and Equipment

The Company has carried out revaluation for Property, Plant & Equipment by using an independent valuation committee to assess fair value. Therefore the Property, Plant & Equipment presented at original cost /revalue amount less depreciation.

3.5 Financial Instruments - Initial Recognition and Subsequent measurement

Financial Assets

Initial Recognition and Measurement

The Company has chosen to apply the recognition, measurement and disclosure provisions of Section 11 of SLFRS for SME to account for all its financial instruments.

Initial Recognition

The Company recognize a financial assets or financial liability only when the entity becomes the party to the contractual provisions of the entity

Initial Measurement

All financial assets are recognized initially an entity shall measure it at the transaction price. (Including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash and bank balances, trade, and other receivables and other financial assets.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as described below:

- Financial Instruments at amortised cost

Trade and Other Receivables



Trade and Other Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The losses arising from impairment are recognised in the Income Statement.

Derecognition

i) Financial Assets

A financial asset is primarily derecognised when:

(a) The rights to receive cash flows from the asset have expired,

Or

(b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full.

Impairment of Financial Assets

The Company assesses, at each reporting date, whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Evidence of impairment may include indications that the debtors or is experiencing significant financial difficulty, default or delinquency in payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial Assets Carried at Amortised Cost

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income Statement. The assets are written off when there is no realistic prospect of future recovery. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write off is later recovered, the recovery is credited to the Income Statement.

ii) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of Section 11 of SLFRS for SME are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The Company's financial liabilities excluding derivative financial instruments include trade and other payables and other financial liabilities.

Financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

3.6 Inventories

Inventories are valued at the weighted average of cost and net realisable value; Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



It is reported that Company were unable to utilize on comprehensive method due to the limited resources available and lack of expertise knowledge.

The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Accordingly, the costs of inventories are accounted as follows.

Graphite – At weighted average cost.

Other Consumables- At weighted average cost.

Engineering supplies – At weighted average cost.

3.7 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of asset's fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.8 Intangible Assets

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.9 Cash and Cash Equivalents

Cash and short-term deposits are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of statement of cash flows, cash and short-term deposits consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents

3.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

3.11 Post-Employment Benefits

Defined Benefit Plan – Gratuity

The Company measures the retirement benefits of gratuity at the end of every financial year using the Projected Unit Credit Method (PUC) as recommended by Section 28 of SLFRS for SME.

a) Defined Contribution Plans

Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for Employees Provident Fund and Employee Trust Fund contributions, in line with respective statute and regulations. The company contributes 12% and 3% of gross remuneration of employees to Employee Provident Fund and Employee Trust Fund.



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st MARCH 2022

FINANCIAL STATEMENT DISCLOSURES

4. STATED CAPITAL

Issued 1,300,000 Ordinary Shares of Rs. 10/- per share.

Name	No. Of Shares	Value of Shares	Ownership Percentage
Treasury Secretary	1,300,000	13,000,000/-	100%
	<u>1,300,000</u>	<u>13,000,000/-</u>	<u>100%</u>

5. ASSETS PLEDGED

Rs. 10 Mn. from Gratuity investment fund have been pledged as securities as against the Rs.7,895,000.00 loan obtained from NSB – Ridigama branch to finance the purchase of Air Compressor as at the date of Statement of Financial position.

6. DIRECTORS INTEREST

According to the information made available to us, no Director of the Company is directly or indirectly interested in any contract with the Company.

7. RELATED PARTY DISCLOSE

The Chairperson and Board of Directors of the Company are liable to receive allowances based on the Government Regulation which are disclosed under Note 13. The respective PAYE deducted only from the Chairperson allowances.

8. COMMITMENTS AND CONTINGENT LIABILITIES

Legal Case – Land Ownership

A Legal Cases Nos P 5745 & P 6070 at Kurunegala District Court pending against the Company in connection with 26 Acres land dispute. The Plaintiff named as A. A. Somasiri.

However, no provision has been made in these financial statements as the directors of the Company are confident of defending the case made against the Company.

9. EVENT AFTER THE REPORTING PERIOD

There have been no material events occurring after the date of Statement of Financial Position that require adjustment to or disclosure in the Financial Statements.



KAHATAGAHA GRAPHITE LANKA LIMITED
NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH		2021/2022	2020/2021	
	NOTES	LKR	LKR	
10	SALE OF GRAPHITE			
	Graphite Sales Income	123,428,333	126,142,779	
	Sales Income	123,428,333	126,142,779	
11	DIRECT COST, MINING COST			
	Stock Balance at beginning	189,793,620	167,156,570	
	Wages Cost	11-01 55,445,534	57,958,999	
	Support Service Cost	11-02 24,433,347	26,796,564	
	Depreciation	11-03 11,530,799	16,230,666	
		281,203,300	268,142,799	
	Less Stock at closing	11-04 (205,087,846)	(189,793,620)	
	Add Cost of Mining During the Period	76,115,453	78,349,179	
	Wages Cost	11-01		
	Salaries & Wages	34,809,612	36,563,173	
	Other Allowance	1,439,600	-	
	Production Incentives	6,388,146	7,869,889	
	Overtime	3,050,879	3,154,843	
	Defined Contribution Plan (EPF)	4,082,582	4,390,249	
	Defined Contribution Plan (ETF)	1,107,378	1,097,562	
	Staff Welfare	3,802,862	4,071,707	
	Bonus	764,475	811,575	
		55,445,534	57,958,999	
	Support Service Cost	11-02		
	Mining Expenses	7,922,205	9,398,950	
	Power and Electricity	13,726,355	13,820,827	
	Security Charges	2,784,788	3,576,788	
		24,433,347	26,796,565	
	Depreciation	11-03		
	Plant & Machinery	7,275,095	13,853,674	
	Generator	1,400,000	1,234,127	
	Under Ground Development	2,855,703	1,142,865	
		11,530,799	16,230,666	
	Analysis of Cost of sales and closing stocks	11-04		
		M.T.	Cost of Sales per M.T.	Rs.
	O/Stocks	1,079.29	175,850.44	189,793,620
	Production	342.35	267,006.51	91,409,680
		1,421.64	197,802.05	281,203,300
	Sales	(384.81)	197,802.05	(76,115,453)
		1,036.83	197,802.05	205,087,846
	N/Wast	(14.26)	-	-
	Wast	-	-	-
	C/Stocks	1,022.57	200,561.18	205,087,846



NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2021/2022 LKR	2020/2021 LKR
12 SUNDRY INCOME			
Agricultural Income			
Income from sale of Crops / Coconut wood		1,609,395	1,264,608
Less ; Expenses			
Labour		(1,921,759)	(2,353,000)
Overtime		(4,096)	(30,308)
2022 Monthly Allowance		(70,400)	
Defined Contribution Plan (EPF)		(216,782)	(251,330)
Defined Contribution Plan (ETF)		(54,196)	(62,833)
Bonus		(12,000)	(18,000)
Tools & Equipments		(23,640)	(26,925)
Nursery expences		(284,950)	(2,745)
		(978,428)	(1,480,534)
Other Income		90,000	18,000
		(888,428)	(1,462,534)
13 PERSONNEL COST			
Directors Remuneration		1,566,605	1,740,490
Staff Salary and Wages			
Administration Salary & wages		10,480,330	11,821,983
Overtime		875,368	937,005
Allowances - Incentives		1,131,189	1,005,597
Other Allowance		276,500	-
Defined Contribution Plan (EPF)		1,257,640	1,418,638
Defined Contribution Plan (ETF)		314,410	354,660
Bonus		171,300	192,525
		14,506,737	15,730,408
Total Personnel Cost		16,073,342	17,470,898
14 ESTABLISHMENT AND ADMINISTRATION COST			
Rent			
Rates & Taxes		16,733	17,388
Medical Aid		385,112	68,888
Insurance	14-1	2,137,018	1,747,872
Printing & Stationery		145,154	184,643
Postage		77,083	61,416
Legal & Professional Fees	14-2	299,220	152,810
Security Charge		910,388	1,192,263
Secretarial Charges		198,744	224,573
Audit Fees		333,000	333,000
Travelling & Transport		2,881,624	1,773,539
License & Permits		263,147	183,309
Research & Development		-	82,000
Training Expenses		689,000	668,804
		8,336,222	6,690,505



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
Insurance	14-1		
Fire Insurance - Generator		54,905.15	4,576
Sharma Surekuma Insurance		362,597.58	167,326
Agrahara Insurance Scheme		1,476,000.00	1,486,000
Air Compressor Insurance		54,808.06	24,363
Vehicle Insurance		188,707.29	65,607
		<u>2,137,018.08</u>	<u>1,747,872</u>
Legal & Professional Fees	14-2		
Labour Tribunal Case		111,250	-
Land Dispute Case		155,000	152,810
Professional Charges		32,970	-
		<u>299,220</u>	<u>152,810</u>
15 MAINTENANCE COST			
Office & Office Equipment Maintenance		255,323	211,014
Building Maintenance		12,900	14,230
Machinery Maintenance		1,816,942	1,656,876
		<u>2,085,165</u>	<u>1,882,120</u>
16 UTILITY COST			
Water Charges		62,104	149,064
Electricity		450,001	466,293
Telephone		410,843	494,299
		<u>922,947</u>	<u>1,109,656</u>
17 DEPRECIATION COST			
Building		2,248,200	2,507,717
Electrical Equipments		7,000	3,287
Motor Vehicle		2,690,001	2,040,797
Office Equipments		59,162	104,610
Other Assets		40,900	681,506
Furniture & Fittings		260,000	14,898
		<u>5,305,262</u>	<u>5,352,815</u>
18 SELLING AND DISTRIBUTION COST			
Transport to Wharf - Export		549,000	612,000
Sales Promotion		197,387	40,500
Sales Discount		-	-
Advertising Expenses		646,925	304,875
Freight Expenses		434,632	359,877
		<u>1,827,944</u>	<u>1,317,252</u>
19 FINANCE COST			
Bank Charges		16,877	48,671
Interest Expences		958,635	1,900,644
		<u>975,512</u>	<u>1,949,315</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST MARCH

2021
LKR

2022
LKR

20 Property Plant and Equipment

Cost	Balance On 1st April 2021	Additions	Revaluation Adjustments	Transfer to Consumable Stock	Non Operating Asset	Balance On 31st March 2022
Gross Carrying Amounts						
Free Hold Land	25,500,000	-	2,550,000			28,050,000
Building	83,725,697	-	(9,205,697)			74,520,000
Plant & Machinery	138,536,736	1,520,370	(67,301,236)			72,755,870
Electrical Equipment	1,803,115	35,000	(1,803,115)			35,000
Motor Vehicle	24,699,000	-	2,201,000			26,900,000
Other Assets	6,815,061	6,000	(6,412,061)			409,000
Office Equipment	3,986,102	215,810	(2,856,552)	-	-	1,345,360
Generator	15,426,590	-	2,073,410	-	-	17,500,000
U.G.Development	11,428,646	430,275	2,242,154	-	-	14,101,075
Furniture & Fitting	1,956,681	-	(656,681)	-	-	1,300,000
Total Assets	313,877,628	2,207,455	(79,168,778)	-	-	236,916,305

Item under column 3 of above schedule included property plant & equipment which later identified as consumable materials has been transferred to the consumable stock

Depreciation	Rate	Balance on 1st April 2021	Depreciation	Revaluation Adjustments	Transfer to Consumable Stock	Non Operating Asset	Balance On 31st March 2022
Building	3%	19,213,564	2,248,200	(19,213,564)			2,248,200
Plant & Machinery	10%	103,433,288	7,275,095	(103,433,288)			7,275,095
Electrical Equipment	20%	1,799,828	7,000	(1,799,828)			7,000
Motor Vehicle	10%	16,280,097	2,690,001	(16,280,097)			2,690,001
Other Assets	10%	4,652,738	40,900	(4,652,738)			40,900
Office Equipment	20%	3,817,349	59,162	(3,817,349)			59,162
Generator	8%	9,873,018	1,400,000	(9,873,018)	-	-	1,400,000
U.G.Development	10%	7,386,509	2,855,703	(7,386,509)	-	-	2,855,703
Furniture & Fitting	20%	1,926,885	260,000	(1,926,885)	-	-	260,000
Total Depreciation		168,383,276	16,836,061	(168,383,276)	-	-	16,836,061
Total Written Down Value		145,494,352	16,836,061		-	-	220,080,244



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
21 NON OPERATING ASSETS			
Cost as at 1st April		23,210,000	3,541,760
Revaluation Adjustments		-	231,302
Balance as at 31st March		<u>23,210,000</u>	<u>3,773,062</u>
22 STOCK			
Stock Consumables		12,930,490	12,954,596
Stock-Graphite		<u>205,087,846</u>	<u>189,793,620</u>
		<u>218,018,336</u>	<u>202,748,216</u>
23 DEBTORS, DEPOSITS & RECEIVABLES			
Accounts Receivable	23-01	27,635,692	7,094,703
Purchase Advance	23-02	10,000	121,635
Deposits	23-03	49,574	49,574
Insurance pre paid		368,815	385,839
Sri Lanka Telecom Deposit		5,000	5,000
Value Added Tax Receivables		6,207,281	6,266,612
Ceylon Electricity Board			
Jayawimana Court Case Appeal Dep		30,000	30,000
Employee Debtors - Rathnayaka R M A		44,465	13,609
DHL Keells (Pvt) Ltd		30,000	
Festival Advance		-	20,250
		<u>34,380,827</u>	<u>13,987,222</u>
Accounts Receivable	23-01		
Akshtha De Silva		96,030	-
Atire (Pvt) Ltd-		4,500	
Eastern Trading		-	190,073
First Graphite Ltd		11,584,599.00	7,848,895
Millenium Concrect Technologies (Pvt) Ltd		(5,400)	
S Kato & Co.,		15,958,600	(944,265)
Thilakarathne K G C R		(3,477)	-
		<u>27,635,692</u>	<u>7,094,703</u>
Purchase Advance	23-02		
Jayathilake K P E B			12,691
Nawarathne N M D C B			6,400
Dep of Valuation - Kurunegala		10,000.00	10,000
premathilake A A S			40,000
Sierra Cables PLC			17,500
Asurumuni A A S S			6,440
Wimalaweera R G L H			18,600
Herath H M S R		10,004.00	10,004
		<u>10,000.00</u>	<u>121,635</u>
		10,004.00	
Deposits	23-03		
Geologic Survey & Mines Bureau		49,574	49,574
		<u>49,574</u>	<u>49,574</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
24 CASH & CASH EQUIVALENT			
Bank Of Ceylon - Redigama		36,243	625,620
Bank Of Ceylon -Kollupitiya		333,396	960,937
DFC \$ A/C - BOC Kollupitiya		60,621	14,146,930
Petty Cash - Head Office		-	4,869
Petty Cash - Mine Office		-	15,964
		<u>430,260</u>	<u>15,754,319</u>
25 STATED CAPITAL			
Called Up Share Capital		13,000,000	13,000,000
		<u>13,000,000</u>	<u>13,000,000</u>
26 DEFERRED TAX LIABILITY			
Balance B/F		(4,545)	(380,689)
Provision For The Year		(74,200)	376,143
Closing Balance		<u>(78,745)</u>	<u>(4,545)</u>
27 GRATUITY PROVISION			
Balance B/F		16,881,328	21,771,407
Provision For The Year		2,593,101	(1,162,416)
Paid During The Year		(1,382,756)	(3,727,663)
Closing Balance		<u>18,091,672</u>	<u>16,881,328</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
28 NSB LOAN PAYABLE			
Rental Amount	266,013.75		
Rental Period	36		
Cost	7,895,000.00		
Interest	1,681,495.04		
Total	<u>9,576,495.04</u>		
Opening Balance		3,542,593.67	6,384,330.04
Paid During the year		<u>(3,413,567.06)</u>	<u>(2,660,137.50)</u>
Balance		<u>129,026.61</u>	<u>3,724,192.54</u>
Long Term		-	-
Current		<u>129,026.61</u>	<u>3,724,193</u>
Balance		<u>129,026.61</u>	<u>3,724,193</u>
Interest in Suspense			
Opening Interest		181,598.87	728,351
Revenue Account		<u>(181,598.87)</u>	<u>(546,752)</u>
Balance		<u>-</u>	<u>181,599</u>
Balance			
Long Term		-	-
Current		-	<u>181,599</u>
Total		<u>-</u>	<u>181,599</u>
Balance			
Long Term		-	-
Current		<u>129,027</u>	<u>3,542,594</u>
Total		<u>129,027</u>	<u>3,542,594</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2021/2022 LKR	2020/2021 LKR
29 TRADE AND OTHER CREDITORS			
4M International (Pvt) Ltd		45,000	180,000
A.M.Distributors		14,950	
Accounting Secretarial Services(pvt)Ltd		57,000	
Accsoft Solutions Pvt Ltd			14,909
Airline Traders		45,000	
Alliance Valves & Fitting Company		113,800	
B I Commodities & Logistics (Pvt) Ltd		(150)	155,450
Blackwatch Security Syndicates (pvt) Ltd		375,850	
BCC Lanka Limited			107,245
Brown & Company PLC		1,275,025	119,094
Browns Thermal Engineering (pvt) Ltd		135,000	
Cambridge Traders		276,000	367,250
Car Lovers (pvt) Ltd.		24,800	
D N Dinesh Suranga		29,710	
DHL Keels(Pvt) Ltd.		84,678	139,024
Diligant Cargo Services		106,818	56,358
Dinapala Super Centre			
Disanayaka Hardware		447,548	393,740
Eastern Trading Company		399,275	817,650
ET Lab Manufacturing (Pvt) Ltd		25,000	12,500
Geological Survy & Mines B.			541,616
Global Enterprises		28,160	12,500
Gunarathne D R		15,600	15,600
Hunter & Company PLC		25,033	
Ikon Tech Systems			10,550
Industrial Safty Equipments Co.Ltd			35,000
Infortec Computer System			3,300
Internal Timber Productions		72,415	
Janatha Estate Development Board		147,000	
Jayalanka Ajencies		152,843	
Kulasooriya E H		47,000	
Lanka I B C Company (Pvt) Ltd		(5)	
M P C S - Ridigama		538,581	258,555
M P C S Hiriyala		6,400	6,600
Manju Electricals		57,330	9,952
Metropolitan Office (Pvt) Ltd			16,200
Nanayakkara L D J M P		203,375	118,525
National Insurance Trust Fund		427,218	121,000
National Water Supply & Dra.Board 1/4		17,238	59,146
New National hardware		26,240	42,460
Nipon Air		11,000	11,000
Niroshan W E		3,000	3,000
P M Samarasekara		41,350	
Rathna Lee Mola		12,000	
Rathkarawwa Servo Lube Distributors			78,758
Rotax 9Pvt) Ltd		16,988	
Salim Textiles		2,140	16,200
Samota Trade Center		168,950	117,520
Sathosa Motors PLC		25,428	
Sewmini Lee Mola		50,715	109,450
Somapala Motors		255	
Sri Lanka Insurance		127,802	
Sri Lanka State Trading (General) Cop		67,342	47,097
Sri Lanka Telecom		100,000	752,816
St.Anthony's Hardware (Pvt) Ltd		825	47,495
State Pharmaceuticals Corporation Of Sri		16	
Supreme Furbishers		29,245	



The Associated Newspapers of Ceylon Ltd	238,050	304,875
United Motors Lanka PLC	102,375	102,375
United Tractor & Equipment (pvt) Ltd	237,751	
Vanoja Motor Stores	104,000	12,750
	<u>6,558,964</u>	<u>5,217,558</u>
30 PROVISION FOR TAXATION		
Opening Balance	9,365,368	7,064,698
Income Tax Paid	-	-
Income Tax Payable for the Year	2,697,714	2,300,670
With Holding Tax - Paid at source On Interest Income	-	-
	<u>12,063,082</u>	<u>9,365,368</u>
	-	-
31 ACCRUED EXPENCES		
Audit Fees -Earnest & Young	-	241,500
Audit Fees - Auditor General	1,337,434	1,040,659
Defined Contribution Plan (EPF) Payable	2,476,187	766,171
Defined Contribution Plan (ETF) Payable	337,662	24,112
Electricity Board	6,374,866	12,498,327
P.A.Y.E Tax Payable	1,859	(3,751)
With Holding Tax - Vendor Collections	6,059	6,059
Salaries & Wages Payable Account	6,346,205	4,038,971
Telephone Bills Payable	39,488	16,696
Alpex network security Ltd	4,516,135	5,133,992
Refundable Tender Deposits	(5,000)	3,562
Nation Building Tax Payable	185,294	185,294
	<u>21,616,189</u>	<u>23,951,591</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2021/22

Profit/(loss) per Account				11,085,759.67
less: Interest Income				<u>(2,785,428.40)</u>
				8,300,331.27
Add Back:				
Gratuity Provision	2,593,100.82	100%	2,593,100.82	
Legal Fees (LT case)	155,000.00	100%	155,000.00	
Impairment	-	100%	-	
Depreciation	16,836,061.20	100%	16,836,061.20	
Advertisement	646,925.00	25%	161,731.25	
Professional Charges	144,220.00	100%	144,220.00	
				<u>19,890,113.27</u>
				<u>28,190,444.54</u>
Less:				
Capital Allowances				(12,313,326.08)
Gratuity Paid of The Year				(1,382,756.30)
Gain on Foreign Exchange Gain/Loss				
				<u>14,494,362.17</u>
Business Profit/(Loss) for the Year				14,494,362.17
Interest Income				2,785,428.40
Total Statutory Income				<u>17,279,790.57</u>

Total Taxable Income

	Income	Rate	
Export Income	14,494,362.17	14%	2,029,210.70
Interest Income	<u>2,785,428.40</u>	24%	668,502.82
Total Tax payable	<u>17,279,790.57</u>		<u>2,697,713.52</u>

DEFERRED TAX LIABILITY

Gratuity	Asset	18,091,672.32
Capital allowance to be claim (Note 1)		27,525,546.52
Accounting depreciation to be claim		43,392,984.46
Tax over claimed		<u>15,867,437.95</u>
Capital expenses over deduct for taxable profit than accounting profit	Liability	(15,867,437.95)
Coconut Plantation Development	Liability	(1,694,235.36)
Deferred Tax Liability		<u>529,999.01</u>
Tax Rate	14%	<u>74,199.86</u>
Current Asset / (Liability) as at 31/03/2022		74,199.86
Opening Asset / (Liability) 31/03/2021		(376,143.49)
Over provision		<u>(450,343.35)</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2020/21

Dividends Tax Payable

Net Profit After Taxation	8,462,246.02
Less : Property, Plant & Equipments Acquired	(1,956,645.10)
Add : Depreciation for Property, Plant & Equipments Acquired	-
Distributable Profit	6,505,600.92

TAX WRITTEN DOWN VALUE

Note 01 : Capital Allowance on Assets

Assets	Claim no	Rate	Value	Claim
Building				
2011/12	10	10%	1,422,820.50	-
2012/13	10	10%	4,554,425.27	455,442.53
2013/14	9	10%	178,545.08	17,854.51
2014/15	8	10%	29,575,817.88	2,957,581.79
2015/16	6	10%	52,780.20	5,278.02
Electrical Equipments				
2008/09	8	12.50%	10,780.00	-
2010/11	8	12.50%	446,810.00	-
2014/15	3	33.33%	61,200.00	-
2017/18	3	33.33%	35,000.00	11,666.66
2021/22	1	20.00%	35,000.00	7,000.00
Other Assets				
2012/13	5	20%	357,100.00	-
2013/14	9	6.67%	3,918,615.00	261,238.39
2014/15	8	6.67%	1,970,772.78	131,383.54
2016/17	6	6.67%	110,000.00	7,337.00
2016/17	6	6.67%	621,989.00	41,486.67
2018/19	4	20.00%	925,831.09	185,166.22
2020/21	2	15.00%	813,190.50	162,638.10
2021/22	1	20.00%	6,000.00	1,200.00
Office Equipments				
2009/10	8	12.50%	181,927.67	-
2010/11	8	12.50%	739,029.48	-
2012/13	5	20%	560,021.55	-
2013/14	5	20%	187,396.25	-
2013/14	4	25%	148,000.00	-
2014/15	3	33.33%	59,999.00	-
2014/15	4	25%	206,000.00	-
2014/15	4	25%	4,500.00	-
2014/15	5	20%	11,700.00	-
2014/15	3	33.33%	169,285.72	-
2015/16	3	33.33%	118,250.00	-
2016/17	4	25.00%	91,000.00	22,750.00
2017/18	3	33.33%	24,800.00	-
2017/18	3	33.33%	44,450.00	-
2018/19	4	20.00%	223,500.00	44,700.00
2019/20	3	20.00%	134,300.00	26,860.00
2021/22	1	20.00%	215,810.00	43,162.00
Generator				
2009/10	8	12.50%	794,707.00	-



NOTICE **KAHATAGAHA GRAPHITE LANKA LIMITED**

NOTICE IS HEREBY GIVEN THAT THE EXTRA ORDINARY GENERAL MEETING OF KAHATAGAHA GRAPHITE LANKA LIMITED WILL BE HELD ON MONDAY 23rd OCTOBER 2023 AT 2.00 PM AT THE BOARD ROOM OF KGLL, NO.561/3, ELVITIGALA MAWATHA, NARAIHENPITA, COLOMBO 05.

AGENDA

1. **NOTICE**
To receive the notice convening the meeting.
2. **AUDITED ACCOUNTS AND THE AUDITOR'S REPORT THEREON FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2022**

To receive and consider the Audited Accounts for the year ended 31st March 2022 with the Report of the Auditors thereon.
3. **RE-APPOINTMENT OF AUDITORS**

To re-appoint the Auditor General as the Auditor of the Company for the ensuing year as per PED Circular 01 and to authorize the Directors to determine their remuneration.
4. Any other business of which due notice has been given

BY ORDER OF THE BOARD
KAHATAGAHA GRAPHITE LANKA LIMITED
ACCOUNTING SYSTEMS SECRETARIAL SERVICES
(PRIVATE) LIMITED - PV 4190


.....
DIRECTOR / SECRETARY

18th September 2023

KAHATAGAHA GRAPHITE LANKA LIMITED
NO.561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05.

PROXY FORM

I, the undersigned Secretary to the Treasury as being a member of Kahatagaha Graphite Lanka Limited, hereby appoint Mr/Ms. (name) of No (address) as my proxy to represent me and to vote for me and on my behalf for/or against the resolution and/or to speak at the Extra Ordinary *General Meeting* of the Company, to be held on 23rd October 2023 and at any adjournment thereof and at every poll which may be taken in consequence thereof

		For	Against
1	To approve the Audited Financial Statements for the year ended 31 st March 2022	<input type="checkbox"/>	<input type="checkbox"/>
2	To re-appoint The Auditor General as the Auditor of the Company for the ensuing year 2022/2023 as per PED Circular 01 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
3.	To authorize Directors to determine Contributions to Charities	<input type="checkbox"/>	<input type="checkbox"/>
4.	To approve any other business of which due Notice has been given	<input type="checkbox"/>	<input type="checkbox"/>

.....
Shareholder

Signed this..... day of 2023

Instructions as to the completion of Proxy Form

1. A member is entitled to appoint a proxy to attend and vote in his/her/their place.
2. A proxy holder need not be a member of the Company.
3. A member wishing to vote by proxy at the meeting may use the form enclosed and interpolate the 'right to speak'.
4. To be valid, the completed form of proxy must be lodged at the registered office of the Company not less than 48 hours before the meeting.
5. In the case of a Company /corporation the proxy must be under it's Common Seal, which should be affixed thereto.